

SECURITY GRADING

N.B. The grading slip must be affixed when ever necessary.

(N.B. The grading of this jacket must be the same as that of the highest graded document contained in it. The appropriate upgrading slip must be affixed when ever necessary.)

DSR 12

Contents checked for transfer to

D.R.O.

(Sgd.)

Date 16/8/82

CONFIDENTIAL

H.M. DIPLOMATIC SERVICE

DEPT. or POST

MIDDLE EAST

FILE No. NBP 086/1 (Part)

TITLE: ILLEGAL ARMS SALES TO IRAN.

REFER TO

REFER TO

REFER TO

NAME (and dept. when necessary)

TO SEE:

DATE

NAME (and dept. when necessary)

TO SEE:

DATE

NAME (and dept. when necessary)

TO SEE:

DATE

R.

Mr Dennis

1-5

8/12

9/12

R.

Mr Wogan

9

14/12

R.

Mr Dennis

13, 5

18/12

4/1

Mr Wogan

5/6

W

49

FC 08/4042

Registry Address

W97.

SECURITY GRADING

N.B. The grading slip must be affixed when ever necessary.

(N.B. The grading of this jacket must be the same as that of the highest graded document contained in it. The appropriate upgrading slip must be affixed when ever necessary.)

CONFIDENTIAL

YEAR STAMP

1981

Dr. 300

1981

YEAR STAMP

DO NOT RETAIN FILES AND PAPERS UNNECESSARILY RETURN THEM TO REGISTRY FOR B.U. OR P.A.

PART

NBP 086/1

FILE No.

NEXT FILE:

[illegible]

RESTRICTED



BRITISH EMBASSY

STOCKHOLM

17 December 1981

406/1

LAST PAPER

NBP 086/1

RECEIVED BY REGISTRY NO. 35

5 JAN 1982

DESK	PA	RECEIVED
INDEX	PA	RECEIVED
	✓	✓

D R MacLennan Esq
ABU DHABI

Dear MacLennan,

ARMS FOR IRAN

1. Please refer to your teletype 020/4 of 30 November to Passmore (which reached us only on 15 December).

2. In view of the reference to the Honorary Swedish Consul-General in Dubai, we passed paras 1 and 2 to the MFA here for their comments. So far as they are concerned, the story is rather old hat as they first noticed a similar piece in "The Guardian" about a month ago. They had made some enquiries and checked with Sandgren; as a result of which they were satisfied that there was no truth in his being involved in any way. Our interlocutor sounded very relaxed about the whole affair.

Yours ever,
Rex Goring-Morris

R Goring-Morris

cc: K J Passmore Esq, MED, FCO
Chanceries DUBAI, KUWAIT
BIS, TEHRAN

RESTRICTED

CONFIDENTIAL

(21)

ROYAL
SWEDISH EMBASSY

BRITISH INTERESTS SECTION
TEHRAN

29 December 1981

P F M Wogan Esq
MED
FCO

NBP 086/1	
RECEIVED IN RECORDING NO. 35	
5 JAN 1982	
DEPT	INDEX
	bx

Mr Patrick,

*Pse Gw
J.P.S/1
Mr Dennis
Did we not inform
Tehran? R 31/xii*

ARMS DEAL AND RELEASE OF ANGLICAN HOSTAGES

1. The local Swedish Embassy drew my attention some time before Christmas to press reports quoting the British arms dealer, Michael Aspin, that it was his company's agreement to supply arms to Iran that finally clinched the release of the Anglican hostages. This was news to me and I was sceptical about it, though Ambassador Bundy said that some such incident might have explained some otherwise unaccountable delays in the release of the hostages. I think News Department denied any knowledge of such a deal.

2. I have now just seen a copy of the article in Time Out of 3 December on the subject, which seems to suggest that the Swedish honorary Consul in Dubai confirmed Aspin's story. Though a careful reading produces no evidence, I should be grateful for information, and for peace of mind, to know the truth of the affair as seen in London and Stockholm. Can we be confident in saying that Mr Aspin is making these claims for his own reasons, presumably partly to explain why he is selling arms to Iran in the first place?

*Yours ever,
Nicholas*

N J Barrington

*Letter out
B 5/1*

cc: R Goring-Morris Esq OBE
STOCKHOLM
P R M Hinchcliffe Esq CVO
DUBAI

*(I am very grateful for all
you help in London)*

CONFIDENTIAL

(20)

TOP COPY

SR 123

CONFIDENTIAL

NBP 086/1		
RECEIVED IN NO. 65		
4 JAN 1962		
DESK OFFICER	REGISTER	
INDEX	PA	Action Taken
		<i>[Signature]</i>

CONFIDENTIAL

FM F C O 241500Z DEC 61

TO PRIORITY BAGHDAD

TELEGRAM NUMBER 733 OF 24 DECEMBER

AND TO ROUTINE BIS TEHRAN, STOCKHOLM, WASHINGTON.

(17)

YOUR TELNO 776: ARMS SUPPLIES FOR IRAN.

1. THE ASSURANCE GIVEN BY MR HURD TO HAMMADI ON 5 OCTOBER HAS ALREADY BEEN SUBSTANTIALLY FULLFILLED BY THE LETTER TO HIM (FCO TELS 635 AND 636).

2. A COPY OF THE INTERIM REPORT ON INVESTIATIONS INTO THE 3 OCTOBER STORY, FOR YOUR INFORMATION, FOLLOWS IN THE BAG. WE SHALL CONSULT CUSTOMS ABOUT HOW MUCH OF THIS, AND OF ANY SUBSEQUENT INVESTIGATIONS, MIGHT BE PASSED TO THE IRAQIS.

CARRINGTON

LIMTEL

MEI

PS MR HURD

CONFIDENTIAL

Pl. Ever

19

Mr Miers

A

BAGHDAD TELEGRAM NO 776 : ILLICIT ARMS SUPPLIES TO IRAN

B

1. HMA Baghdad has accepted the point (made in our tel no 729 of 17 December) that we should not allow the Iraqis constantly to monitor our investigations of the 'Guardian' stories of 3 and 27 October. Mr Egerton feels, nevertheless, that we owe the Iraqis an account of the steps taken so far.

C

2. Mr Egerton bases his case on the assurance given by Mr Hurd to Dr Hammadi on 5 October that a considered reply would be given to the Iraqis over the 3 October story. Such a reply, however, has already been given in the form of a letter handed over on 3 November (see our tels to Baghdad nos 635 and 636 of 29 October).

D

3. There seems, therefore, little reason to go beyond the details given in our tel no 729. It has already been accepted that to do so would constitute an unacceptable derogation of our sovereignty.

E

4. I attach a draft reply to Mr Egerton's telegram.

John Dennis

J D Dennis
Middle East Department

22 December 1981

NBP 086/1		
RECEIVED IN REGISTRY NO. 35		
4 JAN 1982		
DESK OFFICE	REGISTRY	
INDEX	PA	Ar. In Taken

Mr Dennis 23/12
Mr Rose f/a

The Secretary of State is keen to honour his obligation to the Iraqis. Mr Hurd has repeated the commitment. The E will not be free if it has to back him (This is our job - to supply cards for him to play the hand). So I'm afraid will have to screw

Something out of the Curran Intelligence
Branch for his to pass on.

dy

22/XU



Mr Miers

NBP 08641	
RECEIVED	12 DEC 1981
J D DENNIS	

18

BAGHDAD TELEGRAM NO 776 : ILLICIT ARMS SUPPLIES TO IRAN

- 16 —
1. HMA Baghdad has accepted the point (made in our tel no 729 of 17 December) that we should not allow the Iraqis constantly to monitor our investigations of the 'Guardian' stories of 3 and 27 October. Mr Egerton feels, nevertheless, that we owe the Iraqis an account of the steps taken so far.
 2. Mr Egerton bases his case on the assurance given by Mr Hurd to Dr Hammadi on 5 October that a considered reply would be given to the Iraqis over the 3 October story. Such a reply, however, has already been given in the form of a letter handed over on 3 November (see our tels Baghdad nos 635 and 636 of 29 October).
 3. There seems, therefore, little reason to go beyond details given in our tel no 729. It has already been accepted that to do so would constitute an unacceptable derogation of our sovereignty.
 4. I attach a draft reply to Mr Egerton's telegram.

J D Dennis
Middle East Department

22 December 1981

File No.

Department MED

Drafted by
(Block Capitals) J. D. DENNIS

Tel. Extn. 233 5973

OUTWARD

TELEGRAM

Security Classification
CONFIDENTIAL

Precedence
PRIORITY

DESKBYZ

FOR
COMMS. DEPT.
USE

Despatched (Date)
(Time)Z

POSTBYZ

PREAMBLE

(Time of Origin) Z (G.M.T.)

(Security Class.) CONFIDENTIAL

(Codeword)

(Restrictive Prefix)

(Caveat/
Privacy marking)

(Deskby) Z

TO PRIORITY BAGHDAD
(precedence) (post)

Tel. No. of

AND TO (precedence/post)

AND SAVING TO

REPEATED TO (for info) ROUTINE BIS TEHRAN, STOCKHOLM, WASHINGTON

SAVING TO (for info)

Distribution:-

Limited
MED
PS/Mr Hurd

[TEXT]

YOUR TEL NO 766 : ARMS SUPPLIES FOR IRAN

1. It is our understanding that the assurance given by Mr Hurd to Dr Hammadi on 5 October has already been fulfilled in the form of the letter handed to Dr Hammadi on 3 November (see our tels 635 and 636).

2. We remain reluctant, therefore, to give the Iraqis any further details of the investigations before they are completed. To let the Iraqis assume they can monitor our activities would mean an unacceptable derogation of our sovereignty.

/3. For

Copies to:-

3. For your information, a copy of the interim report on investigations into the 3 October story is in bag.

NOTHING TO BE WRITTEN IN THIS MARGIN

17

CONFIDENTIAL

GRS 160

CONFIDENTIAL

FM BAGHDAD 200855Z DEC 81

TO PRIORITY FCO

TELEGRAM NUMBER 776 OF 20/12/81

INFO ROUTINE BIS TEHRAN STOCKHOLM WASHINGTON

NBP 086/1		
RECEIVED IN REGISTRY NO. 35		
21 DEC 1981		
DESK OFFICER	REGISTRY	
INDEX	PA	Adm. Tels

YOUR TEL NO 729: ARMS SUPPLIES.

1. THANK YOU FOR THIS PROGRESS REPORT. I AGREE THAT WE SHOULD NOT (NOT) GIVE THE IRAQIS ENCOURAGEMENT CONSTANTLY TO MONITOR OUR EFFORTS IN THIS DIRECTION BECAUSE, AS YOU SAY, WE ARE UNLIKELY TO ABLE TO SATISFY THEM. NEVERTHELESS IN HIS CONVERSATION WITH DR HAMMADI ON 5 OCTOBER, MR HURD UNDERTOOK TO LOOK AT THE GUARDIAN ARTICLE AND GIVE A CONSIDERED REPLY (PARA 6 OF THE RECORD OF CONVERSATION). IN THE CIRCUMSTANCES I THINK I SHOULD BE AUTHORISED TO GIVE THE IRAQIS SOME ACCOUNT OF THE STEPS WE HAVE TAKEN SO FAR, AND, IF SO, I WILL NEED MORE DETAIL THAN THAT PROVIDED IN YOUR TUR.

2. AT THE SAME TIME MAY I ASK WHETHER YOU HAVE ANY NEWS WITH REGARD TO PARA 6 OF MY TEL 747 (NOT REPEATED) ? I MAY BE CALLED IN AGAIN AT ANY TIME TO THE PUBLIC RELATIONS DEPT OF MFA IF GWYN ROBERT'S SERIES ON THE KURDS IN THE SUNDAY TIMES CAUSES OFFENCE THIS END.

EGERTON

[THIS TELEGRAM WAS NOT ADVANCED]

LIMITED

MED
PS/MR HURD
SIR J GRAHAM
MR MOBERLY

COPIES TO:

MR B L CLARK
CUSTOMS INVESTIGATION OFFICE
HARMSWORTH HOUSE

CONFIDENTIAL

16
See 17

CONFIDENTIAL

41702 - 1

PP BAGHDAD

PP BIS TEHRAN

GRS 173

CONFIDENTIAL

FM FCO 171757Z DEC 81

TO PRIORITY BAGHDAD

TELEGRAM NUMBER 729 OF 17 DECEMBER

INFO PRIORITY BIS TEHRAN, STOCKHOLM, WASHINGTON

NBP 086/1	
RECEIVED	17 DEC 85
21 DEC 1981	

YOUR TELNO 757 : ARMS SUPPLIES

1. INVESTIGATIONS OF THE 'GUARDIAN' STORIES CONTINUE, BUT ARE LIKELY TO TAKE A LONG TIME, DUE TO THE CONSTRAINTS UNDER WHICH CUSTOMS INVESTIGATION DIVISION OPERATES. SO FAR ALL WE HAVE RECEIVED IS AN INTERIM REPORT FROM THEM WHICH POINTS AWAY FROM CLARKAIR IN A DIRECTION WHICH QUOTE MIGHT PROVE WORTHWHILE UNQUOTE INVESTIGATING.

2. BEFORE PURSUING THIS FURTHER WE NEED TO CONSIDER THE USEFULNESS OF A DIALOGUE WITH THE IRAQIS ON THIS MATTER. WE HAVE ALREADY INFORMED THEM OF OUR POLICY, AND HAVE ASSURED THEM THAT COMPANIES WILL NOT BE ALLOWED TO BREAK THE LAW. WE HAVE ALSO GIVEN AN UNDERTAKING NOT TO RELEASE SPARES TO IRAN WITHOUT TELLING THE IRAQIS FIRST, WHICH WE PROPOSE TO HONOUR. BUT WE SHOULD GIVE THE IRAQIS NO ENCOURAGEMENT CONSTANTLY TO MONITOR OUR EFFORTS SINCE WE ARE UNLIKELY TO BE ABLE TO SATISFY THEM. UNLESS YOU SEE STRONG OBJECTION WE SHOULD PREFER NOT TO GO BACK THE IRAQIS UNLESS SAHNAF HIMSELF RETURNS TO THE CHARGE.

CARRINGTON

DIST

LIMITED

MED

PS/MR HURD

SIR J GRAHAM

MR ROBERTLY

COPIES TO

MR B L CLARK,

CUSTOMS INVESTIGATION OFFICE,

HARMSWORTH HOUSE.

Mister

Mr Miers

Sir J. Graham

PS/Mr Hurd

cc Sir J. Graham

To: to issue

Agreed

Dr 17/XII

ILLICIT ARMS SUPPLIES TO IRAN

17/XII

Problem:

- A 1. HMA Baghdad wishes to give the Iraqis a progress report on two investigations into illicit arms supplies currently being carried out by Customs Investigation Division. How should we respond?

Recommendation:

2. I recommend we avoid being drawn into a dialogue with the Iraqis on this subject. I submit a draft reply to Mr Egerton's telegram.

Background:

- B 3. A story appeared in 'The Guardian' of 3 October alleging that weapons, some of them British made, were reaching Iran via Israel
C and Cyprus. A further article in the same paper on 27 October alleged that Libya had attempted to buy American spare parts for military aircraft from British sources, with the intention of shipping them on to Iran.
- D 4. Both stories attracted Iraqi attention. The Iraqi Foreign Minister raised the 3rd October story with Mr Hurd when they met on
E 5 October, and a letter containing assurances about our arms sales policy, and that of the Americans, was handed over on 3 November.
F HMA Baghdad was summoned on 28 October to discuss the 27 October story, and on 3 November he assured Dr Hammadi that both stories were being investigated. Customs Intelligence have come up with an interim report on the 3rd October article, but the investigations are unlikely to be finished for some considerable time.

Argument:

5. We should avoid becoming engaged in a dialogue with the Iraqis over these reports. If we volunteer information on the progress of our investigations, we shall, in effect, be admitting a legitimate Iraqi role in the implementation of our policy. This would be an unacceptable restraint and a derogation of sovereignty. We have given the Iraqis assurances that we do not condone attempts by

/British

British citizens or companies to export arms to either belligerent clandestinely. The Iraqis must be content with this.

P F M Wogan

P F M Wogan
Middle East Department
W96 233 5356

15 December 1981

I have added to the draft telegram, but I believe that Mr Wogan is right & that we should not go any further to encourage dialogue with the Iraqis on this. Otherwise we shall come under pressure to investigate stories which the press/public may well feel a waste of effort — & we shall incur Iraqi suspicions rather than quell their anxieties.

Atkins
16/xii

J. C. M. O'Connell
16.xii



14

Foreign and Commonwealth Office

London SW1A 2AH

From The Minister of State

Douglas Hurd CBE MP

NBP 086/1	
RECEIVED IN DEPT. OF F.O. 35	
18 DEC 1981	
INTRAC	EXTRAC
10	10

14 December 1981

Mr. [unclear]
Mr. [unclear]
Mr. [unclear]
17/12

Dear Pat,

Thank you for your letter of 27 November, which Tim Raison has passed on to me. With it you enclosed a letter from your constituent the Rev J Wallace C Jenkins about an article which appeared in the Guardian of 20 November entitled 'Iran Hostages released in return for arms'.

If Mr Aspin's remarks about the missionaries have been correctly reported then they are, as Rev Jenkins says, outrageous.

Her Majesty's Government had at no stage any knowledge of, or involvement in, the supposed deal described by Mr Aspin. Arms exports to all countries by private firms are subject to export licensing procedures and therefore come under careful and constant scrutiny. Our policy towards the Iran/Iraq war is one of neutrality, and we do not provide arms or ammunition to either side. It is not possible to rule out entirely the possibility that a clandestine shipment of guns occurred by a roundabout route. But there is no evidence to suggest a link, other than the coincidence of timing, between such a shipment and the release of the hostages.

I return ^{the} Rev Jenkin's letter.

Yours ever,

The Rt Hon A E P Duffy MP
House of Commons
LONDON SW1A 0AA

Douglas Hurd.

Code: glh



HOUSE OF COMMONS
LONDON SW1A 0AA

RECEIVED BY

1 DEC 1981

PRIVATE SECRETARY

27th November, 1981.

Timothy Raison, Esq.,
Home Office,
Queen Anne's Gate,
London, SW1H 9AT

NBP 086/1

RECEIVED BY

1 DEC 1981

Dear Timothy

"Iran Hostages Released in Return
for Arms" - Call for Early Imple-
mentation of Closely Controlled
Arms Trading=====

A Constituent, The Reverend J. Wallace C. Jenkins, B.A., B.D., of The Manse, Bridle stile Mosborough, Sheffield S19 5BR, has sent me a letter dated 20th instant on the above-mentioned subject - with the postscript that he has sent a copy to "The Home Secretary".

The Home Secretary's copy may or may not come to your "in-tray", but I enclose the original received by me on which I would welcome such observations as will enable me to respond fairly well to this Superintendent Methodist Minister who is of considerable standing in the Mosborough Ward of my Attercliffe Constituency.

If this is not a subject with which you would be Departmentally concerned, may I please leave it with you to arrange for it to be referred to the appropriate quarter.

Pat Duffy
Pat Duffy, M.P.

THE METHODIST CHURCH
Sheffield South Circuit

26/11/81
12

SUPERINTENDENT MINISTER
Rev. J. Wallace C. Jenkins, B.A., B.D.
The Manse
Bridle Stile
Mosborough
Sheffield S19 5BR
Tel. Sheffield 486225

CIRCUIT STEWARD

Mr L. M. Morton

27, Brackenfield Ave

NBP 086/1 Sheffield 12.
RECEIVED NO. 35
14 DEC 1981
BY
J. W. C. Jenkins

CIRCUIT SECRETARY

Mrs. B. Adams

'Lingmel'

8 Wasdale Avenue

Halfway

Sheffield S19 5HB

Tel. Sheffield 482451

November 20th, 1981.

Mr A.E.P. Duffy, M.P.
The House of Commons.

Dear Mr Duffy,

I was appalled to read in today's edition of The Guardian (top of page 2) under the heading "Iran hostages released in return for Arms" a reported statement by a Mr Michael Aspin (also referred to as Mr Apsin!), an international arms dealer, that his firm Delta Investments bought 600 Browning HP2 machine guns from a Portuguese manufacturer & sold them to the Iranian Government.

The whole story reeks with the stink of crooked dealing by arms dealers, but what has stimulated me to write has been the callous way this Mr Aspin has referred to the British hostages Dr & Mrs John Coleman & Miss Jean Waddell as "the damned hostages" & "these stupid women who shouldn't have been there as far as I'm concerned".

I heard Dr John Coleman speak in person, in Sheffield on Oct. 22nd, about his experiences in Iran, and learned of the fine work as a Christian surgeon & minister in a remote & undeveloped part of Iran for many years. To hear him & his presence in Iran dismissed as stupid by one whose avowed purpose in life is to make illegal profit out of slaughter & misery, made me see red!

I write to ask what is being done by our Government to control the activities of such firms as this Delta Investments in making a profitable business out of arms sales to countries at war, when our country (& that of Portugal also) is avowedly uninvolved in any way in the conflict. And if there is any truth in the suspicion that a deal was made with the Iranian authorities to exchange hostages for arms, then this needs to be looked into thoroughly. As Mr Terry Waite, the Archbishop's envoy, declared, such an arrangement would not have had his consent - nor that of the hostages themselves, if I gauge the character of Dr Coleman.

I would be grateful for an assurance that the activities of firms which trade in armaments in this country are closely controlled and if not, that such control be soon implemented.

Yours truly,

P.S. I have sent a copy of this letter to the Home Secretary.

J. Wallace C. Jenkins.



Foreign and Commonwealth Office
London SW1A 2AH

Telephone 01- 233 5356

11

B L Clark Esq
HM Customs & Excise
Investigation Division
14 New Fetter Lane
LONDON EC4A 1PA

Your reference

Our reference

Date

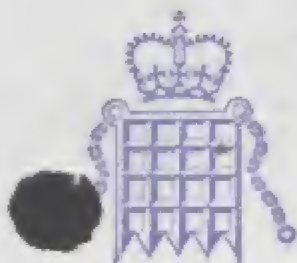
9 December 1981

NBP 086/1	
RECEIVED IN REGISTRY NO. 35	
14 DEC 1981	

CLANDESTINE SUPPLY OF ARMS TO IRAN

1. Thank you very much for your note dated 1 December enclosing a copy of Mr Baker's preliminary report on the article which appeared in The Guardian newspaper of 3 October.
2. I look forward very much to reading the outcome of your investigations into Mr Dhiman's affairs. As I explained however, there is no great hurry over this; I have merely to assure my Ministers that investigations are in hand.

P F M Wogan
Middle East Department



HM CUSTOMS AND EXCISE

Investigation Division

14 New Fetter Lane London EC4A 1PA

Telephone 01-353 5500 Telex 23426 CEIDLN G

(2/6)

470 1525 x 472
353

Mr. Wogan
M.E. Dept.
F&CO.
Whitehall
SW1.

NBP 086/1	
RECEIVED IN REGISTRY NO. 35	
14 DEC 1981	
DESK OFFICE	LD - IN
NO. 1	21

Your reference

Our reference

Date 1 December 81

Dear Mr Wogan,

Herewith preliminary report. Before we visit Dhiman we shall want to have established full details of his (apparently) straight forward business as it concerns Customs & Excise. I will let you know how matters develop.

Sincerely

Brian Clark

B. L. CLARK

INTERIM REPORT

1. Mr Woodward S.I.O.
Customs Intelligence
2. Mr B L Clark A.C.I.O.
Branch 3

16
See 11SUPPLY OF STRATEGIC GOODS TO IRAN

It was reported by Malcolm Stuart in The Guardian on 3rd October 1981 that Clarkair International Ltd., of Tooley Street, London S.E.1 had been offered a lucrative contract to fly goods, believed to be arms, to Iran from Cyprus. A copy of that report is attached.

There are presently three investigations in progress on the Investigation Division related to this subject. One concerns goods of US origin transhipped through London Airport and the others to the supply of Alvis and Jaguar tank engines from the UK. None appear to be connected with this enquiry.

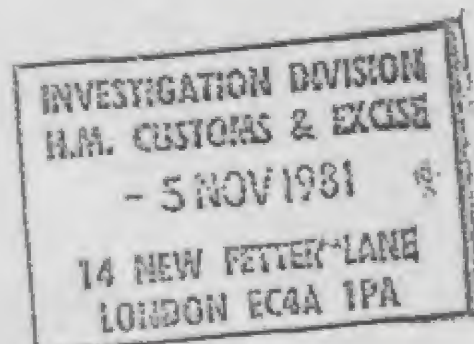
Clarkair International Ltd., are brokers who charter aircraft for contact work. Peter Ratnage the man named in the report is the Chief Executive of the company. Neither Ratnage nor the company are known to us.

I interviewed Ratnage on Monday 2nd November and he confirmed that he had been approached to arrange a contract to convey goods from Cyprus to Terhan. He said that the approach was made verbally and that there is nothing on paper. He claims that because of his long experience in the business and the fact that he did not wish to engage his company in any nefarious activities he declined the offer. The precise nature of the goods was not known to him. At a later date a Norwegian company, Skybroker of Oslo, told him that they also had heard of the offer but he advised them to be wary. They then turned down the offer.

Ratnage then reluctantly informed me that the offer had come to him from a man called Dhiman of the company Pragmatic. He has had no previous dealings with them.

Dhiman, full name Kamwal Dhiman is the managing director of Pragmatic Overseas Ltd, and four other associated companies. They all operate from Unity House, London Road, Tunbridge Wells, Kent. They are registered for VAT and buy and sell all types of goods. Most of their business is in the Middle East and Dhiman spends a lot of time there. He has caused the VAT control officers concern in the past mainly due to liability problems and failure to render returns. [On the face of it he appears to be the type of person who could well be implicated in shady deals.]

Dhiman and his companies are not known to us or any other agencies. He is yet to be interviewed on this matter. A period of research into his activities may prove to be worthwhile.

*H A Baker*

H A BAKER
Customs Intelligence

CONFIDENTIAL

GRS 45
CONFIDENTIAL
FM BAGHDAD 100730Z DEC 81
TO PRIORITY FCO
TELEGRAM NUMBER 757 OF 10/12/81

1 LA TOP SECRET (9)
See (16)

NBP 086/1	
RECEIVED IN PRIORITY NO. 35	
14 DEC 1981	

MY TEL NO 660 AND YOUR TEL 656, PARA 2: ARMS SUPPLIES.

1. GRATEFUL TO KNOW HOW OUR INVESTIGATION OF THE "GUARDIAN" STORIES OF 3 AND 27 OCTOBER IS PROGRESSING.
I SHOULD LIKE TO BE ABLE TO TELL SAHHAF SOMETHING, FOR PASSING TO DR HAMMADI, BEFORE CHRISTMAS IF AT ALL POSSIBLE.

EGERTON

LIMITED
MEI
PS (MR HUR)
SIR J. GRAHAM
MR MOBERLY

COPIES TO:
MR. B.L. CLARK,
CUSTOMS INVESTIGATION OFFICE,
HARMWORTH HOUSE,

THIS TELEGRAM
WAS NOT
ADVANCED

CONFIDENTIAL

Minister

(8)

Issue

In
14/xii

Mr Wogan

RS/Mr Hurd

NBP 086/1	
25	
DEC 1981	
[Signature]	

MP'S LETTER:

- A 1. I submit a draft reply from Mr Hurd to the letter from the Rt Hon A E P Duffy, MP, of 27 November. Mr Duffy enclosed a letter from one of his constituents, the Rev J Wallace C Jenkins, concerning newspaper allegations that our hostages in Iran were released in return for a consignment of machine guns.
- B 2. The Guardian article of 20 November to which Rev Jenkins refers, appeared on the same day as a more strongly worded piece in 'Time Out'. We gave Mr Hurd our comments on the
- C Time Out article on 26 November.
- D

J D Dennis

9 December 1981

J D Dennis
Middle East Department
W97 233 5973

Philip Wogan
10. xii. 1981

020/4

illegal
Army
Iran file

Pl. p.c. 7
with ref.

KJP 8-xii



With the compliments of
HER BRITANNIC MAJESTY'S
EMBASSY IN THE UNITED
ARAB EMIRATES

5

Ref: our TL 555 (020/4) of
30 November 1981

ABU DHABI

Middle East Department
F C O

1 December 1981

تاجر بريطاني دولي يكشف السر

صفقة اسلحة لايران تمت في «دبي» !!

الثمن بالكامل : مليونان و ٦٠٠ الف استرليني .. وثلاثة مبشرين !؟

لندن - خاص بالوطن :

كشفت تاجر الاسلحة الدولي البريطاني الجنسية مايكل اسبن النقاب هنا امس عن ان الحكومة البريطانية «اغضبت عينيها» من صفقة اسلحة دبرها لايران بأسمائيه الخاصة في فبراير الماضي مقابل الافراج عن ثلاثة مبشرين انجليكانيين بريطانيين كان يحتجزهم حراس الثورة الايرانية في طهران.

وقال في حديث ائلى به للصحفي البريطاني مالكولم ستوارت ان المفاوضات المتعلقة باتمام هذه الصفقة التي بلغت قيمتها بالكامل مليونين و ٦٠٠ الف جنيه استرليني كانت تجري في (دبي) بحضور القنصل السويدي هناك تور ساندغرن.

واضاف: ان الصفقة اشتملت على مجموعة اسلحة خفيفة ابرزها مدافع رشاشة من نوع براوننج، وأوضح اسبن في حديثه الذي ائلى به للصحفي البريطاني في مكتبه في مدينة نورويك في إنجلترا ان هذه الصفقة والاساسي من اتمام صفقة الاسلحة مع قيادة حراس الثورة الايرانية كان مجرد تحقيق ربح مادي فقط، ولكنه اعترف ان جهات بريطانية لم يصحح عن هويتها حريقتا انها المخابرات البريطانية» تسلمت بعد الزيارة الاولى التي قام بها الى دبي للاتصال بممثلي قيادة حراس الثورة الايرانية، وابلغته ان هذه الصفقة «لم تمر» ما لم يقبل بريطاني بشرط اطلاق سراح المبشرين الانجليكانيين الثلاثة وهم: الدكتور جون كولمان وزوجته الدكتورة لوردي والامسة جين مانيل.

وقال اسبن انه اضطر للرضوخ لشروط الجهات البريطانية المذكورة حتى لا يفقد الربح الذي سيحققه من الصفقة وحتى لا يتعرض لمضايقات في المستقبل .. و اضاف ان تلك الجهات طلبت منه التنسيق مع القنصل السويدي في دبي باعتبار ان السويد تتولى رعاية المصالح البريطانية في ايران وذلك منذ القطاع العلاقات الدبلوماسية بين لندن وطهران بسبب احتجاز الرهائن الاميركيين والبريطانيين في عام ١٩٧٩.

وقال ستوارت انه علم من مصادره الخاصة ان صفقة الاسلحة المذكورة اشتملت على ٦٠٠ مدفع رشاش من نوع براوننج ائش بي - ٢ الاميركية الصنع التي يمكن نصبها على السيارات العسكرية المدرعة وسيارات الجيب لاستعمالها ضد القوات المتقدمة. و اضاف ان هذا النوع من المدافع الرشاشة صنع خصيصا لملازمة احتياجات السيارات المسلحة من نوع شيرمايت التي تنتجها شركة برامبا في لشبونة عاصمة البرتغال.

وثائق وهمية وذكر اسبن ان اقدام مصانع الاسلحة على بيع فالنض انتاجها لجهات متعددة امر متعارف عليه في عالم تجارة الاسلحة .. وقال ان حكومة البرتغال كانت متعاضد شعن هذه الاسلحة الى ايران مباشرة ... ولكنه اعترف بأنه تمكن من تخطي هذه العقبة عن طريق شراء «وثائق وهمية» من احد المسؤولين في البيرو تثبت حاجة بلاده

الى هذه الاسلحة. ونكر الصحفي ستوارت ان شعن القسم الاول من الاسلحة من البرتغال تم على متن طائرة بوينغ ٧٠٧ استولجرت من شركة الطيران السويسري. وقال: ان الطائرة توقفت في باريس بدعوى اصابته بطل فني ولكنها ما لبثت ان طارت الى دبي ووصلت الى مطارها في ١٨ فبراير ١٩٨١ حيث جرى نقل الاسلحة الى طائرة ايرانية كانت جاثمة على ارض المطار تولت ايصالها الى طهران.

اليمني واليمني

واعلن اسبن ان شعن القسم الثاني من الاسلحة تأخر لاسباب قاهرة مما ادى الى قلق الايرانيين الذين طلبوا منه الحضور الى طهران كبادرة على الظهار حسن نيته تجاه اتمام الصفقة .. وقال انه التقي خلال وجوده في الفندق الذي اقام به في طهران بالبريطاني «متري ويت» الذي ارسله اسقف كاتدريري للاشراف على اطلاق سراح المبشرين الانجليكانيين الثلاثة ولكنه لم يكلمه.

واضاف ان الجزء الثاني من صفقة الاسلحة وصل الى طهران في مارس الماضي وبذلك انتهت مهمته.

وفي لقاء اخر اجراه الصحفي ستوارت مع «متري ويت» قال هذا الاخير انه «يميل الى تصنيف ما رواه اسبن ولكنه تلى معرفته بالقصة».

واضاف: «وكما تعلمون فان اليمني اليمني احيانا لا تعرف ما تطلعه اليد اليسرى».

CONFIDENTIAL

GRS 164

CONFIDENTIAL

(6)

29594 - 1	
NBP 086/1	
RECEIVED IN	NO. 35
2 DEC 1981	
JR	Q

TELELETTER

FROM J D DENNIS, MIDDLE EAST DEPARTMENT, FCO

FILE REFERENCE NBP 036/1 DATED 3 DECEMBER 1981

FOLLOWING FOR D R MCLENNAN ESQ, ABU DHABI, COPIED TO TEHRAN
DUBAI, KUWAIT

YOUR TELELETTER OF 30 NOVEMBER TO PASSMORE: ARMS FOR IRAN

1. IF ASKED YOU SHOULD DENY ANY HMG INVOLVEMENT IN, OR KNOWLEDGE OF THIS SUPPOSED DEAL. A SIMILAR STORY APPEARED HERE IN 'TIME OUT' ON 20 NOVEMBER (COPY IN BAG).
2. FOR YOUR OWN INFORMATION THE SHIPMENT MAY HAVE TAKEN PLACE. MICHAEL ASPIN IS A KNOWN ARMS DEALER WITH A PAST RECORD OF CUSTOMS OFFENCES. WE HAVE CIRCUMSTANTIAL EVIDENCE THAT ASPIN MIGHT HAVE BEEN ABLE TO ARRANGE DELIVERY OF MACHINE-GUNS, BUT NO DEFINITE CONFIRMATION.
3. THERE IS ALSO NO (NO) EVIDENCE TO SUGGEST A LINK BETWEEN THE RELEASE OF THE MISSIONARIES AND THE DELIVERY OF MACHINE-GUNS, APART FROM A COINCIDENCE OF TIMING. TERRY WAITE, THE ARCHBISHOP OF CANTERBURY'S ENVOY HAS DENIED KNOWLEDGE OF ANY SUCH LINK AND NEWS DEPARTMENT HAVE TAKEN THE SAME LINE.

SIGNED J D DENNIS, MIDDLE EAST DEPARTMENT, FCO

CONFIDENTIAL

NBP 086/1		
DEC 1981		
DATE	TIME	LOCATION
	JP	QJ

DEC 1981

241 04

5

ABU DHABI TELELETTER NUMBER 555

TO : FCO

DUBAI (ACTIONED)

KUWAIT

TEHRAN

GR 250

RESTRICTED

TELELETTER

FROM : D R MACLENNAN ABU DHABI

FILE REF : 020/4

FOLLOWING FOR : K J PASSMORE ESQ MED FCO

COPIED TO : CHANCERY DUBAI (ACTIONED)

KUWAIT

TEHRAN

STOCKHOLM

ARMS FOR IRAN

1. THE KUWAITI " AL WATAN " OF 28 NOVEMBER CARRIES A STORY (DATE-LINE LONDON) IN WHICH A BRITISH JOURNALIST, MALCOLM STEWART, ALLEGES THAT THE THREE ANGLICANS HELD BY THE IRANIAN REVOLUTIONARY GUARDS WERE RELEASED EARLIER THIS YEAR AS A RESULT OF A COUNTERPART ARMS DEAL SET UP IN FEBRUARY BY A NORWICH BASED ARMS DEALER CALLED MICHAEL ASPIN. IT IS SUGGESTED THAT " BRITISH INTELLIGENCE " AND THE HONORARY SWEDISH CONSUL GENERAL IN DUBAI, SANDGREN, WERE INVOLVED IN THE NEGOTIATIONS. THE ARMS, WORTH £2.6 MILLION, INCLUDED BROWNING MACHINE GUNS. THEY WERE ORIGINALLY INTENDED TO BE SHIPPED FROM PORTUGAL TO PERU BUT WERE RE-DIRECTED TO DUBAI WHERE THEY WERE OFF-LOADED FROM A SWISS AIR CARGO PLANE INTO AN IRANIAN AIRCRAFT.

2. ALTHOUGH THE LOCAL PRESS HAVE NOT CARRIED THE STORY, THE UAE MINISTER OF INFORMATION HAS ISSUED A DENIAL OF IT ACCUSING AL WATAN OF BEING A PERSISTENT CRITIC OF THE UAE.

3. WHILE WE DO NOT HAVE ANY BACKGROUND TO THE NEGOTIATIONS LEADING UP TO THE RELEASE OF THE THREE ANGLICANS, I ASSUME THAT, IF ASKED, WE CAN SAFELY DENY ANY INVOLVEMENT BY HMG IN ILLEGAL ARMS SHIPMENTS THROUGH DUBAI.

4. QUITE SEPARATELY, OF COURSE, WE HAVE HAD THE RECENT SUGGESTION OF ARMS FOR THE RELEASE OF MR PYKE (SEE THE TELEGRAPHIC EXCHANGE ENDING WITH TEHRAN'S TELEGRAM NUMBER 582 OF 16 NOVEMBER). EARLIER THIS YEAR THERE WAS ALSO THE CASE OF NICHOLAS RAFFLE, WHO SPENT TWO MONTHS IN JAIL FOR BEING INVOLVED IN AN ARMS SHIPMENT FROM MUSCAT TO PARAGUAY WHICH TURNED UP UNANNOUNCED AND UNDOCUMENTED IN SHARJAH (OUR TELEGRAM NUMBER DISTRESS 23 OF 08 JUNE WAS THE LAST ON THIS).

MED PLEASE PASS COPY TO STOCKHOLM.

SIGNED : D R MACLENNAN

Mr. Coates

Col you send done ✓ answer?

J Dennis 3/12 were not Tehran hold of this story? If so, surely Dubai was got a copy?

Kevin Passmore
DATED 30TH NOVEMBER 1981 2-11
A. EVO (NBP 086/1)

Minister (4)

Mr. Hume PA 20/11

NBP 086/1	
RECEIVED	35
DEC 1981	
1	22

27/xi

Pl. Ewe
NBP 086/1Mr Wogan
PS/Mr Hurd

IRAN : ARMS DEALS

1. Mr Lamport's minute of 20 November asked the Department to investigate further the background to the article suggesting a link between arms deals and the release of the Anglican missionaries.

2. The Export Licensing Branch of the Department of Trade confirm that Mr Michael Aspin is a known arms dealer. He is currently on bail on customs offences connected with the export of machine-guns to South Africa. A partner who was also mentioned in the 'Time Out' article faces similar charges arising out of the export of 25-pounder guns to Cyprus. According to the DoT, Mr Aspin is an extrovert who likes publicity. DoT have suggested Mr Aspin may have sought publicity about the Iranian deal to influence the court decision in his favour on the South African case.

3.

Mr Aspin had contacts with Mr Farokhrouz, the current Iranian Chargé d'Affaires, and Mr Saidi of the Iranian Embassy in May this year. Mr Farokhrouz was introduced to Mr Aspin by Mehdi Karbasizahd, another revolutionary guard, during the latter's visit to London.

4. In 1971, Mr Aspin was convicted of forging £5 notes and served two years' imprisonment. His brother is also an arms dealer. have evidence of contact between Mr Michael Aspin and the Portugese manufacturer of machine-guns referred to by 'Time out'.

5. We therefore have circumstantial evidence that Mr Aspin would have been able to arrange the delivery of machine-guns, but no definite confirmation. There is no evidence to suggest that the release of the missionaries

/and

THIS IS A COPY
THE ORIGINAL HAS BEEN
RETAINED IN THE DEPARTMENT
UNDER SECTION 3(4) OF THE
PUBLIC RECORDS ACT 1958

and the delivery of machine-guns were linked, apart from the coincidence of timing. Mr Terry Waite has denied all knowledge of a link. The position of Swedish Consul in Dubai is an honorary one; the Consul is a local trader involved in shipments across the Gulf to Iran.

D. Coates

D Coates
Middle East Department

26 November 1981

Petrich Logan
26 Xi 1981

cc Mr Miles
Sir J Graham

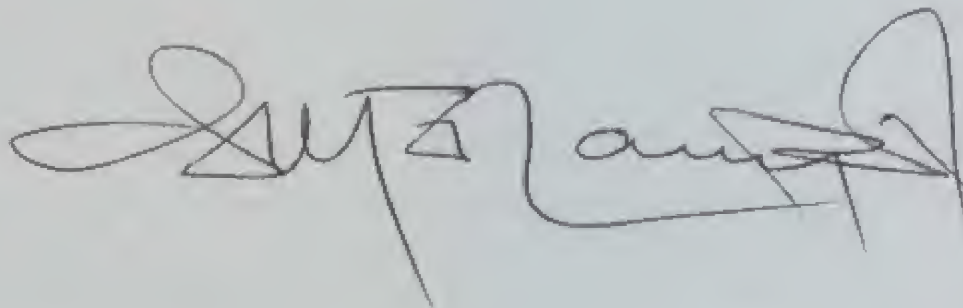
CONFIDENTIAL

Mr Wogan, MED

cc: Sir J Graham

IRAN

① - I have discussed the story referred to in Mr Dennis's minute of 20 November with Mr Hurd. I should be grateful, as a result, if the Department would make enquiries as to the background of the arms deal referred to in the attached articles. PUSD may presumably have relevant information or be able to institute an investigation. The need for Ministers to know the background to the story is even more important now that it has gained coverage on the BBC Radio News this afternoon. I should be grateful, therefore, for a report in due course.



S M J Lamport
PS/Mr Hurd

20 November 1981

CONFIDENTIAL

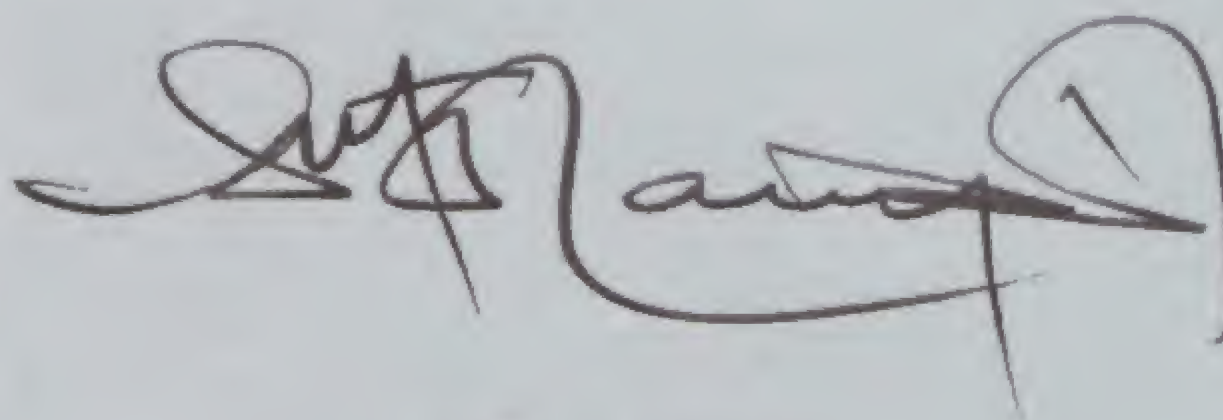
3

MED

NBP 086/1		
RECEIVED 35		
7 DEC 1981		
INDEX	FILE	INDUSTRY
	MD	John Taken

IRAN

I should be grateful for the department's comments on the 'Time Out' article of 20 November on the supposed arms deal which formed part of the release earlier this year of the British missionaries held in Iran.



S M J Lamport
PS/Mr Hurd

20 November 1981

Comment
please
Dr. 28

NEWS+

Minister

EXCLUSIVE

The Arms Deal That Freed Our Hostages



Triumphant Runcie, his envoy Terry Waite and the hostages. But it was an arms deal that really freed the Britons.

David Rose and Paul Charman reveal the secret arms deal that lay behind the release of Britain's hostages in Iran.

The British government turned a blind eye to a London-negotiated deal for machine guns to ensure the release of the British hostages earlier this year.

The guns — half inch Browning anti-tank US-made weapons worth £2.6 million — were purchased by SEPAH Pars Iran, better known as the Revolutionary Guard, which held missionary Jean Waddell, John and Audrey Coleman for several months.

The shipment was negotiated in England, but it did not break the terms of the official ban which prohibits only arms exports direct from this country to Iran.

At the centre of the deal was Michael Aspin, a partner in the Norwich-based arms manufacturers and dealers Delta Engineering. Aspin says: 'The arrangement with the Revolutionary Guards was that they would release the hostages when they received their goods. They wanted to get rid of them, but they made it conditional on receiving the shipment. Terry Waite and the Archbishop of Canterbury had very little to do with it.'

The deal began in December with an approach made to

Aspin by the Iranians through the Dubai branch of Gulf Agency, a Swedish oil conglomerate. The Iranians knew that Sweden takes care of British diplomatic interests in Tehran. By the New Year, Aspin had negotiated with Iranian envoys in Dubai.

The chief Iranian negotiator was Mehdi Karbasizahd, a leading member of the Revolutionary Guard. In January he came to London, where further meetings were held at the home of Aspin's partner, Len Hammond.

Aspin and Karbasizahd then went to Portugal to inspect the guns. They were part of the stock of Bravia, an international arms manufacturer based in Lisbon.

Aspin says: 'Bravia make Schermite armoured cars, which are equipped with Browning weapons. Browning sell the guns direct. Let's say Bravia orders 200 sets but use only 20 on their vehicles. That gives them 180 spares and it's up to Bravia what they do with the rest.'

The guns were provided with false papers (end user certificates) indicating that their final destination was Lima, Peru. Aspin says: 'The

certificates were bought from corrupt Peruvian government officials. It didn't cost very much.'

'It's up to the manufacturer to get the certificates. He knows it is going into a high price situation. I mean, a new half-inch Browning is round about the \$7,000 mark. You may be able to sell it for \$10,000 or \$14,000 to an embargoed country.'

Bravia's main representative on the deal was Joao Botto.

Time Out contacted him in Paris. He said: 'You communist bastards. You are communist bastards. Why don't you go and ask your friend Brezhnev?'

But earlier Botto's deputy in Lisbon, Senor Cruz, was more forthcoming: 'Sure, Botto did the deal with Aspin. Of course, the arms ended up in Iran. I can't remember if it was the Peruvian government itself or one of its officials who supplied the end user certificate, but it was certainly false.'

The shipment was due to begin during the first week of February. The transport was organised by Kuehne Nagel, a company based at Heathrow. One of their managers told us: 'I'm not going to say anything about that shipment. I'm not



Arms dealer Michael Aspin: 'The arrangement was that they would release the hostages when they received their goods.'

going to give you my name. I've got no comment at all.'

The original copy of the invoice sent by Kuehne Nagel to Aspin's company has come into Time Out's possession. It states clearly that the transport firm shipped five packages of sets of components for machine guns 'as per export licence.' The transport bill came to £41,431.19.

The delivery started smoothly. Kuehne Nagel chartered a Clipper Airlines Boeing 707 from Zurich. It flew to Lisbon to pick up the first consignment, mainly spare parts for the guns. On February 17, the plane took off with a flight plan for Lima.

It then touched down in Paris, on the pretext of a technical hitch. There the flight papers were changed. As Aspin says, 'it sort of turned right at the lights.' Once clear of Paris it switched to a new flight plan and made for Dubai where the cargo was unloaded by a local handling firm.

The cases were briefly put into bond, where they were relabelled as electrical spares belonging to Arbas Electrical, a fictitious company whose name Aspin based on letters in the Revolutionary Guard negotiator's name, Karbasizahd.

Hours after their arrival in Dubai, the guns were loaded on to an Iranian jet which brought them safely to Tehran.

It was then that things started to go wrong. The second, more important

shipment, was due to follow immediately. But as Aspin says: 'Kuehne Nagel slipped up badly. And I mean badly.'

Aspin was in Dubai, waiting for the plane. It failed to arrive. He says: 'We were there waiting for the Iranians to release the hostages. They told us that they were waiting for the material to come in, and until it did, they would not release the hostages.'

A flurry of telexes followed between Aspin, Kuehne Nagel and Karbasizahd in Tehran. The British press announced that Terry Waite, the envoy who Dr Robert Runcie, the Archbishop of Canterbury, sent to Tehran to negotiate the hostages' release, had run into unexpected delays.

Throughout this tense period, Aspin had free use of the Swedish Consulate's telex machine in Dubai. The machine had also been used earlier in the deal. Lars Thureson, a director of Gulf Agency, the company which had channelled the original approach, telexed Tehran in January to confirm that the deal was going through. Thureson says: 'I thought the deal was only for electrical spares and agricultural machinery.'

Thureson claims that the telex was sent by someone else who used his name.

Aspin says that Tor Sandgren, the Swedish Consul, was kept fully informed on the deal. When Time Out contacted him at first he tried to deny this: 'It was purely a trade



The Browning gun at the centre of the deal.

matter, and hence none of my business.

However, when we pointed out that the release of the hostages depended on the shipment and that the deal had important political connotations, Sandgren admitted that he had been in close contact with Aspin. He said: 'Yes, I did play an important part. But I don't think we should talk about this over the telephone.' He had also been in touch twice with the Swedish Embassy in Tehran when the second delivery was delayed.

Aspin says: 'The fact that I was able to use the telex in the Swedish Consulate is very significant. Security is generally very tight in these places, you know.'

Finally, Aspin flew to Tehran to see the Revolutionary Guard. He says: 'They realised — obviously I had known the guys for some time — that the delay was not my fault. It was the shipping side. I finally got out. They released the hostages and I got back to Kuehne Nagel and got them to move the shipment.'

On March 11, the second Clipper 707 arrived in Lisbon to pick up the guns. But there were still hitches.

The plane was kept waiting at Lisbon for two days. As it stood at the airport, a member of the Portuguese customs staff leaked a copy of the cargo manifest to the Communist newspaper, *O Diario*.

The paper suggested that the arms were really destined for El Salvador. Aspin says: 'I can laugh now, but at the time I was really sweating.'

Senor Cruz from Bravia added: 'It was a bit annoying. We had the TV people in our offices. But if the Communists had known the stuff was really going to Iran, perhaps their reaction would have been very different.'

Six days later, the arms at last reached Tehran. Aspin relaxed the Revolutionary Guard: 'Happy shooting! Have you got the ear muffs?'

As Thureson had said in a telex from Dubai in January, the arms were paid for by bank draft. A German bank transferred the £2.6 million to the City branch of Saderat, an Iranian bank. 'All I had to do,' says Aspin, 'was to walk into their branch in London and take the draft — paid in dollars — over the counter. It was paid into Delta Investments's account at Barclays, and we paid the bank through — it's called cleaning it up.'

When *Time Out* contacted the Prime Minister's office we were told: 'The release of the hostages was simply the result of the efforts of the Archbishop of Canterbury and diplomatic pressure.'

But when we put the story to Terry Waite, he said: 'These sort of things do not surprise me at all. I did not know that, but I'm quite prepared to believe it's true. Success in one area may well depend on success in another. Do you happen to know whether the British Government knew about the deal?'

Copyright: Time Out Ltd. 1981

Free Event



A new-wave spectator sport will be inaugurated in Stratford, in London's East End, this Sunday when Newham Council demolish by explosives two 15-storey tower blocks in Leyton Road and Henniker Road.

The occasion is likely to draw thousands of sightseers who will watch the destruction behind a cordon. Eight hundred families within a 125-metre radius of the flats (built in 1966) are to be evacuated. The decision to blow up the flats at a cost of £736,000 follows the discovery of structural faults two years ago. Newham Council is suing the structural engineers Charles Weiss and Partners, and the architects Jan Faber and Bartholomew, of Benfleet Essex.

★ The Central Line between Leytonstone and Bethnal Green will be closed between 1.35 and 4.45 during demolition. A special bus service will operate.

Rents Through The Roof

The blossoming of Covent Garden has generated a rent explosion which some traditional shopkeepers fear is turning the area into just a place for parting American tourists from their money.

Faced with rent increases of between 200 and 500 per cent, four tenants of bookshops and a gallery in Floral Street have sent a plea for help to Ilyd Harrington, deputy leader at the GLC which at the time of its Covent Garden Action Plan designated this sidestreet for precisely such aesthetic interests, 'to maintain the character of the area'.

Specialist art bookseller Ian Shipley's rent has doubled under a three-yearly review from £4,000 to £8,000. He says: 'We just can't afford it... it's as simple as that.'

Landlords are going to their agents and asking what they can get at the market rent — which is now upwards of £25 a square foot.

'I suppose it is the relentless march of progress. But it's very sad because the art and literature shops which are all fairly committed just haven't got the mark-up to contend with the fashion shops and trendy wicker furniture stores.'

Chris Tame at next door's Alternative Bookshop faces a 500 per cent increase from £2,000 to £10,000. He said: 'If we are forced to pay these

astronomical increases we will have to go.' All the tenants



have different landlords. Gallery owner Edward Touth faces a similar five-fold increase. Bernard Stone's landlords, the publishers Ernest Benn (related to Tony Benn), want to treble the rent on his bookshop.

Last March, several galleries and a graphic designers who set up in converted banana warehouses in nearby Lampton Court were asked eight times their rent at review.

One tenant, Anne Berthaud,

said: 'Our surveyor worked hard for us and we thought we were lucky to get it reduced to four times the amount.'

The Covent Garden Forum, a traders' association, had heard of premiums of £25,000 being asked. A spokesman said: 'We were appalled... it seems that landlords are generally getting on the handwagon.' Mike Parfiter, of the GLC Covent Garden Team, said that although 'we encourage tenants who add to the character of the area', County Hall was legally powerless to protect anyone from the rent rises he described as 'absolutely amazing'.

More concerned with building up the residential population in the neighbourhood, Jim

Monyhan of the local community housing project said that rents were heading for Bond Street levels. He said: 'One of our biggest problems has been landlords converting residential flats into offices with planning permission change of use. Both GLC and Westminster City Council have been dragging their heels chasing up offenders.'

A spokesman for estate agents Sweby, Cowen, McGlashan said: 'It's no job to establish whether a particular shop adds character to the area. We just call open market rental value. Since the Piazza opened, Bond Street has become a prime location.' Paul Charman

Miles Safer For Women?

As violence against women grows, plans are afoot for a women-only bus service in London and reserved compartments on tube trains. Paul Charman reports.

Women-only tube carriages and mini-buses are likely to be introduced in London as a result of a disturbing increase in the number of attacks on women. Mary Evans, of the Safe Women's Transport group, said: 'Many women, particularly in South London, feel they are living under a curfew. They are scared to go out because of the journey home alone'. The group was set up after a Peckham woman, Sally Shepherd, 24, was found raped and beaten to death two years ago.

The lobby, armed with previously unpublished Scotland Yard figures showing a 10 per cent increase in attacks on women last year, has succeeded in winning:

- A direct approach by GLC leader Ken Livingstone, last week to London Transport to investigate the possibility of turning the last guard's carriage into a women-only compartment after 7pm on the tube.

- Tacit support of County Hall grants committee chairman John McDonnell for a £350,000 scheme for a fleet of radio-controlled mini-buses, offering a door-to-door service for women between 6pm and 12.30am seven days a week.

The proposals are supported by the Metropolitan Police, who last year dealt with 12,506 reported cases of assaults on women (see table).

Police estimate that less than

a quarter of the women attacked report the assault to the police, so the real figures could be much higher. A Yard spokesman said: 'We welcome the move to make the situation safer for women.'

A recent survey of London adult education centres showed that evening attendances are falling because women are frightened alone at night. Two badly-lit areas are not used by Chelsea and Westminster Adult Education centre because of women's fears.

Ms Evans said: 'It's the situation where the politicians must act — quickly.' She has persuaded Bootle Labour MP A. Roberts to ask the Transport Secretary in the House to examine the possibility of extending women-only compartments nationally.

There is already a women-only cab service — L379 7711 — set up a year ago with six drivers in London and charging 50p a mile.

'Safe Women's Transport' plans to lobby this week a meeting of the GLC committee to press its case. It wants to set up a fleet of mini-buses, staffed by voluntary workers from Community Enterprise programme, charging a flat fee of 50p a trip across the city areas.

Previously unpublished Scotland Yard figures of the number of attacks on women in London in 1980:

	Between 6pm-12.59am	1a-5.59am
Woundings and other acts endangering life	39	
Other woundings	1,392	2,000
Rape	69	
Indecent assault	66	
Robbery and personal theft	1,192	
Other violent thefts from person	2,792	2,000
Other attacks involving violence	398	
TOTAL (1978: 11,370; 1979: 11,370)		

RESTRICTED

TOP COPY

NBP 08611

7 DEC 1981

25 29

7 DEC 1981

25 99

TELEGRAM NUMBER 582 OF 16 NOVEMBER 81
INFO DUBAI AND ABU DHABI.

INFO DUBAI AND ABU DHABI.

MY TELNO 556 : ARMS FOR IRAN.

1. TAGHAVI TOLD ME ON 14 NOVEMBER THAT HE HAD CHECKED ABOUT THE ARMS FOR PYKE STORY WITH LAVASANI WHO HAD HEARD NOTHING ABOUT IT. HE KNEW NO REZAEI AND WAS IGNORANT OF THE SITUATION OF MR PYKE.

BARRINGTON

LIMITED

MED

CONS D

DEF D

FS/MR HURD

PS/PUS

SIR J GRAHAM

SIR A ACLAND

MR MOBERLY

MR GILLMORE

THIS TELEGRAM
WAS NOT
ADVANCED

RESTRICTED

CONFIDENTIAL

PS / Mr Hurd
Sir J Graham

RECEIVED IN REGISTRY NO. 35		
9 DEC 1981		
DESK OFFICER		REGISTRY
INDEX	PA	Action Taken
	JD.	gls

"THE ARMS DEAL THAT FREED THE HOSTAGES

1. You asked about the line we are taking on this article.
2. We are stating categorically that HMG had no knowledge of this transaction, if indeed the report is true.
3. Anyone asking about Swedish involvement in the purported deal will be told to direct such questions to the Swedes themselves. The Swedish Embassy rang MED yesterday to ask about the article, and we stressed that the allegations against HMG were completely unfounded. The Swedes expressed great surprise at the remarks attributed to Mr Sandgren (who is, apparently, an Honorary Consul in Dubai) and they will be making their own enquiries.
4. This story seems likely to persist for a time. I attach a second article, which appeared in 'The Guardian' this morning. The implication of HMG connivance is much less strongly drawn in this piece however.

John Dennis

J D Dennis
Middle East Department
W97 233 5973

20 November 1981

CONFIDENTIAL